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Implementation of the United Nations New Agenda for the Development of Africa in the 1990s, including measures and recommendations agreed upon at its mid-term review

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Progress report by the Secretary-General

Executive summary

Submitted in compliance with General Assembly resolution 51/32 of 6 December 1996, this report presents progress made on the implementation of the United Nations New Agenda for the Development of Africa in the 1990s since the mid-term review in 1996. The report focuses on activities undertaken by the organizations of the United Nations system.

Following the introduction, part one of the progress report provides a summary of the various undertakings by United Nations organizations in meeting the recommendations of the mid-term review in key priority areas – namely, economic reform; promotion of the private sector and foreign direct investment; intensification of the democratization process and the strengthening of civil society; solution to Africa's debt problem; trade facilitation and market access; regional cooperation and integration; environment and development; diversification of African economies; agriculture, rural development and food security; and the human dimension.

Part two presents critical issues that hinder the implementation of the New Agenda. One of them, financial resource flows, is dealt with in detail in a separate document, as an addendum to the progress report.

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The progress report concludes that, by and large, much has been done since the mid-term review by the organizations of the United Nations system to implement the New Agenda. However, further efforts are needed in order to accelerate the implementation process, including overcoming the difficulties identified. The recommendations put forward by the Secretary-General in his April 1998 report to the Security Council, "The causes of conflict and the promotion of durable peace and sustainable development in Africa", provide a broad base for achieving this objective.

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I. Introduction

1. The present progress report has been submitted in response to a request by the General Assembly in its resolution 51/32 of 6 December 1996, on the mid-term review of the implementation of the United Nations New Agenda for the Development of Africa in the 1990s.[1] It aims at showing progress achieved since the mid-term review, identifying critical issues related to the implementation of the New Agenda and providing an opportunity to Member States to give further guidelines for the implementation of the Agenda in preparation for the final review and appraisal in the year 2002.

2. In its resolution 51/32, the General Assembly requested the Secretary-General to report on the promotion of the outcome of the mid-term review, measures taken at the global level to implement the recommendations of the mid-term review, and strengthening and improving follow-up, monitoring and evaluation arrangements of progress achieved in the implementation of the New Agenda. The outcome of the review has been promoted through dissemination of the report of the Ad Hoc Committee of the Whole on the Mid-term Review of the Implementation of the New Agenda (A/51/48), discussion in various bodies of the United Nations, including machinery of the Committee for Programme and Coordination (CPC) and of the Administrative Committee on Coordination (ACC).

3. Since the review focused on the implementation of the New Agenda, particular emphasis was put on defining the linkages between the New Agenda and the United Nations System-wide Special Initiative on Africa,[2] adopted by the Economic Commission for Africa and launched in March 1996. It may be recalled that the mid-term review concluded that the Special Initiative was complementary to the New Agenda and that it was designed to facilitate and could become an impetus for the implementation of all elements of the New Agenda.

4. Following the mid-term review, CPC considered, at its thirty-seventh and thirty-eighth sessions, the linkages between the New Agenda and the Special Initiative, and concluded that the latter should be used as the implementation arm of the former. As a result, the Special Initiative was renamed the United Nations System-wide Special Initiative for the Implementation of the United Nations New Agenda for the Development of Africa in the 1990s. This decision of CPC made it possible to bring the Special Initiative closer to programme 6 of the United Nations medium-term plan, 1998–2001, entitled "Africa: New Agenda for Development". This programme, which was adopted in 1997, was revised in August 1998 by CPC.

5. At the global level, the issues raised in the mid-term review were forcefully addressed by the Secretary-General in his report to the Security Council entitled "The causes of conflict and the promotion of durable peace and sustainable development in Africa" (A/52/871-S/98/318), and a request was submitted for its consideration by the General Assembly at its fifty-third session. The recommendations of the mid-term review also took into consideration the agenda for action to be adopted by the second Tokyo International Conference on African Development (19–21 October 1998) which is built around the concepts of ownership and global partnership highlighted in the mid-term review and the priority areas outlined in the New Agenda.

6. The present report has two parts: part one reviews progress made in the implementation of the New Agenda in relation to the recommendations of the mid-term review. It is mainly based on the submissions of the organizations of the United Nations system. Most organizations of the system and the Organization of African Unity (OAU) have provided inputs with respect to activities carried out in their respective areas of competence, in implementation of the recommendations of the mid-term review. Some of the activities that are reported have been carried out in the context of the Special Initiative, which is quite in line with the outcome of the mid-term review. It is to be noted that the extent and quality of the responses of the organizations of the system testify to their commitment to implement the Agenda.

7. Part two is about critical issues related to the implementation of the New Agenda. These include the globalization of the world economy, enhanced coordination and feedback between the global and the field levels, effective follow-up, monitoring and evaluation arrangements, mobilization of financial resources and the harmonization of various multilateral and bilateral initiatives on Africa. A major constraint to the implementation of the New Agenda is the inadequacy of financial resource flows to the continent. In compliance with past practice, a separate report is devoted to this issue (A/53/390/Add.1).

II. Implementation of the New Agenda: review of progress

8. The review of progress achieved in the implementation of the New Agenda since the mid-term review uses the key areas for priority attention identified by the review for

assessing efforts. However, while, for consistency, the areas reviewed are the same as those of the review, the activities reported on are often expanded. Although "financial resource flows" was regarded by the review as a key area, it has been treated in part two of this progress report as a critical issue impeding the implementation of the Agenda.

9. Poverty eradication was not treated by the review as a key area, but rather as a cross-cutting issue dealt with within economic reforms, environment and development, and human dimension. This approach has been maintained. However, it is worth noting that since the review, emphasis has been put on microcredit as a means to empower the poor, which has prompted the organizations of the United Nations system to devote particular attention to the subject. The Secretary-General has submitted to the fifty-third session of the General Assembly, under agenda item 98, a report entitled "Role of microcredit in the eradication of poverty" (A/53/223). It contains information on activities carried out with respect to microcredit lending in Africa.

10. It is also worth noting that the Office of the Special Coordinator for Africa and the Least Developed Countries, within the Department of Economic and Social Affairs, published in early 1998 a study entitled "Poverty eradication in Africa: selected country experiences". The study presents 14 concrete initiatives of poverty eradication coming from within Africa which highlight the vast, inherent potential there for poverty eradication and people-centred development. Its introduction provides an overview of some of the more important issues regarding African poverty and makes recommendations for poverty eradication in the region.

A. Economic reforms, including the effective mobilization and efficient utilization of domestic resources

11. Since the mid-term review, African countries have deepened the progress that had previously been achieved in several fields, which has led some to speak of an "African renaissance". Indeed, compared to the early 1990s twice as many countries (40) recorded growth rates of 3 per cent or more. According to the International Monetary Fund (IMF), the average annual growth rate for the continent is 4–5 per cent, and per capita incomes are on the rise. Moreover, inflation has dramatically come down, from 36 per cent in 1994 to 10 per cent in 1997. Fiscal deficits have been reduced by half in the past five years, and external current account deficits are down to 2.5 per cent of GDP. The flows of foreign direct investment (FDI), which have increased by 6 per cent since 1995, have been significant in a number of African countries. Qualitatively, budgetary allocations to social expenditures (education, health care and basic social services) have significantly increased, while military expenditures, as a proportion of total budgetary outlays, have declined. Other qualitative changes which underpin the positive economic performance include greater fiscal discipline; perseverance with sound macroeconomic policies; the restructuring of banking, financial systems and regulatory structures; and the strengthening of the administrative and legal institutions to bolster transparency and capacity-building. These efforts have helped to create a more attractive environment both for capital flows and official development assistance.

12. Although these recent economic performances give rise to optimism, they conceal weaknesses. The savings ratio averaging 18 per cent of GDP remains far lower than the minimal desirable rate of 25 per cent. There is a drop in manufacturing sectors due to sagging domestic demands and growing competition. Furthermore, African economies depend on the export of commodities for their development. Infrastructure problems and supply-side constraints inhibit their capacity for growth and exports. The situation is all the more difficult since Africa's heavy debt burden has increased by 2.1 per cent compared to 1995, making Africa the continent with the highest debt-to-export ratio. Moreover, the expansion of trade is hampered in most African countries by small markets, the high cost of transactions and transportation, and a lack of sufficient communication links. With these difficulties in view, the mid-term review of the New Agenda reaffirmed and underscored the importance of pursuing economic reform and stressed the need to encourage domestic savings and national and foreign investment; improve the public expenditure patterns as well as the taxation system; achieve stability in private capital flows; foster seminars, workshops and training programmes in order to promote deposit mobilization activities; develop financial intermediation and ensure that economic reform programmes fight poverty, generate productive employment and enhance social integration.

13. As for economic reforms, it should be noted that they have been effectively implemented in many African countries, 22 of which have agreements with the IMF's Extended Structural Adjustment Facility (ESAF). These structural reforms mainly focus on reforming and developing the agricultural sector, diversifying export, enhancing the role of fisheries and forestries, improving and streamlining the civil service, increasing the efficiency of the energy sector etc.

14. IMF helped to implement reforms aiming at establishing and maintaining macroeconomic stability by opening the economies to the free exchange of goods and services, both with regional neighbourhoods and with the world at large. These reforms thus helped to deepen the integration of, and to equalize Africa's economies into globalized markets. The World Bank contributed to this by establishing a special trust fund to support subregional activities in the education and health components. Measures are being taken to reinforce and accelerate the pace of economic liberalization, such as the promotion of privatization, trade liberalization, labour flexibility and the strengthening of the financial sector. As regards the latter, a programme of action for advancing financial intermediation in Africa was adopted in May 1998 in Mauritius by a high-level workshop organized by the Office of the Special Coordinator for Africa and the Least Developed Countries. The programme, which was subsequently submitted to African ministers of finance and governors of central banks, emphasizes the importance of sound banking management and the need to develop capital markets and to improve the intermediation role of the informal financial sector.

15. The IMF Institute has also helped to promote deposit mobilization through a range of courses, seminars and training. Financial programmes, current legal issues affecting central banks, banking soundness and monetary policy, public finance etc. are among the topics studied in seminars organized for about 50 sub-Saharan countries. Senior-level seminars or workshops have been initiated too, in order to bring together senior officials from Africa to discuss specialized cases of particular relevance to their countries.

16. Furthermore, a number of countries have introduced reforms on their taxation system in order to increase its efficiency and transparency. Among these countries, mention should be made of Burkina Faso, Cameroon, Madagascar and the United Republic of Tanzania, which have introduced the value-added tax (VAT), and of Guinea-Bissau and Rwanda, which are reforming their general tax system.

17. An attractive environment has also been created by compelling policy reforms in order to encourage foreign direct investment (FDI). The overall legal structure has been improved, particularly with respect to rules and regulations pertaining to the formation of business entities, enforcement of contract, private ownership rights and transfers of property and assets, assessment and payments of taxes, etc.

18. In addition, the World Bank has been fostering resource mobilization in Africa through sectoral investment programmes (SIPs), using existing donor coordination mechanisms.

B. Promotion of the private sector and foreign direct investment

19. Since the mid-term review, certain African countries have encouraged privatization as an instrument of resource mobilization, while others have created a more enabling environment for attracting FDI. The renewed interest in the private sector and the emphasis on its role in the development of Africa have been driven by several considerations, including the vital role of private investments in economic growth, employment and income generation, the importance of FDI as a vehicle for resource and skills transfer and an important factor in overcoming the problems of small markets, the high costs of transactions and transportation and insufficient communication links. While Africa needs to attract foreign direct investment and many of the African countries have undertaken measures to improve laws and regulations governing FDI, only a very small percentage of total flows of FDI goes to Africa, mainly concentrating in minerals and energy sector. The major African recipients of FDI at present include Nigeria, Egypt, Morocco, Angola, Tunisia and Ghana. The total FDI flows to Africa amounted to US$ 5.3 billion in 1996, against US$ 5.0 billion in 1995 and US$ 5.8 billion in 1994.

20. The importance of the private sector and of the enhancement of foreign direct investment in the development of Africa were underlined by the mid-term review, which recommended a wide range of measures including the improvement of the physical, institutional and social infrastructures in order to attract further domestic and foreign direct investment; the implementation of specific measures to attract foreign and domestic investment; the encouragement of further privatization measures; engagement in more aggressive investment promotion activities; the promotion of regional and subregional cooperation and integration, particularly in the area of regional trade liberalization and trade expansion; the strengthening of partnership; the improvement of financial institutional infrastructure; building human resources and capacities for private-sector development; and the promotion of the informal sector and microenterprises through the provision of microcredit, training, efficient technology and management skills.

21. In support of the private sector, in May 1997 in Accra, Ghana, the Economic Commission for Africa organized an International Conference on Reviving Private Investment in

Africa: Partnership for Growth and Development. The Conference recognized the merits of the private sector and addressed major issues of relevance to the New Agenda from the perspectives of severe budgetary constraints, declining ODA, lack of access to commercial lending and the role of FDI in Africa. It called on international and regional organizations to launch activities that could revive private investment on the continent.

22. In the context of that Conference, the United Nations Conference on Trade and Development (UNCTAD) and the African Business Round Table examined the characteristics of the investment environment and the issue of realization of investment opportunities in Africa. Other issues dealt with by the Conference included policy and institutional issues in domestic and foreign investment, reduction of impediments and obstacles in achieving regional integration, institutional reforms, agribusiness, financial services and capital markets. Lessons learned from experiences of regional economic communities such as the Southern African Development Coordination (SADC) and the Association of South-East Asian Nations (ASEAN) were also examined. The Conference also considered issues critical to attracting FDI, including highways and roads, energy, telecommunications, institutional reforms, promoting joint ventures, generating financing for investment and opportunities and challenges for women entrepreneurs. The Conference concluded with a round table summit of Heads of State and Governments and launched the African Capital Market Forum.

23. Under the framework of the Special Initiative on Africa, a programme of action aimed at the promotion of informal-sector and employment-generating opportunities was prepared, under the leadership of the ILO, by the Inter-Agency Task Force on Poverty Reduction in Africa. The programme consists of six sub-components – namely, an enabling environment of informal-sector development; access to financial services; education and training; industrial and manufacturing activities; rural non-farm activities and infrastructures. In addition, a number of national workshops bringing together informal groups, non-governmental organizations, governmental agencies, bilateral and multilateral organizations were held under the umbrella of an ECA project designed to promote the informal sector in Ethiopia and Zambia. The methodological approach of the project and the main results will be the subject of a manual to be disseminated to ECA member States.

24. Workshops were organized by the Women's World Banking and UNDP to build microfinance networks in Africa, through regional programmes. In addition, ECA implemented a study on reconciling indigenous informal and formal microfinancing systems and practices in Africa and initiated another study on the role of microfinancing as an instrument for sustaining the operations of micro/small enterprises, including informal enterprises. The study reviews the current practices and programmes of microfinancing in 11 countries, analyses policies, strategies and the main constraints, and addresses appropriate recommendations to Governments, financial institutions, non-governmental organizations, informal-sector associations and micro and small entrepreneurs. In 1997, UNDP launched a major regional initiative, Enterprise Africa, for a total of US$ 9 million, to provide a regional framework for facilitating and coordinating the support activities for small and medium-sized enterprises in Africa. Twenty countries are currently being assisted in establishing new enterprise support programmes or strengthening existing ones.

C. Intensification of the democratization process and the strengthening of civil society

25. The mid-term review recommended, among others, that African countries should strengthen existing efforts to improve governance, continue to broaden popular participation, and implement effectively and fully the African Charter for Popular Participation in Development and Transformation, whereas non-governmental organizations should be enabled to be fully involved in the implementation of the New Agenda and, together with community-based organizations, better coordinate their policies, programmes and activities among themselves and with Governments. The review further recommended that the role of women in development and in the decision-making process should be strengthened, and that lasting solutions to conflicts and civil strife must be found and the root causes of conflict addressed. In line with these recommendations, several activities were undertaken by various organizations within the United Nations system in order to assist African Governments.

26. UNDP, the Department of Economic and Social Affairs of the United Nations Secretariat, ECA and the Global Coalition for Africa (GCA) organized several meetings to review ongoing reforms in support of democratic transition and good governance. The ECA/Department of Economic and Social Affairs Conference on Governance in Africa made various recommendations on education for democracy, covering issues related to peace, tolerance and

respect for diversity, the building of democratic institutions, and a free and fair electoral system and process, and highlighted the role of media as an essential component of good governance. ECA and GCA also organized a colloquium on the process of integrating the military into the mainstream of the democratic reform movement in Africa. Since 1997, UNDP and ECA have annually sponsored the African Governance Forum (AGF) which provides a platform for Africans and their external partners in the donor community, international organizations, non-governmental organizations and organizations of civil society to engage in a dialogue on the state of governance in the continent through the review of national governance programmes. The AGF process has a qualitative impact on the ability to strengthen partnership and move towards consensus among African Governments, organizations of civil society and the international community around good governance and democratic practices. Together with the Africa Governance Inventory, a new UNDP initiative in collaboration with the Department of Economic and Social Affairs, the AGF process also provides impetus for more effective coordination and mobilization of support for governance programmes in Africa.

27. Since the International Conference on Popular Participation in Development, held in Arusha, Tanzania in 1990, the emerging role of non-governmental organizations has been reaffirmed. An impressive network of indigenous and international grassroots non-governmental organizations has supported a wide range of development actions in Africa, especially in the major areas of fostering community participation, promoting self-help employment among rural women and youth, uplifting the poor and protecting the right of consumers. In the context of popular participation in development, ECA has been addressing the following issues: strengthening development management with a focus on the promotion of popular participation in development, enhancing dialogue between Governments and civil society, and strengthening the capacities of organizations of civil society.

28. ECA has established the African Centre for Civil Society which is entrusted with enhancing cooperation among African Governments and civil society and encouraging Governments to support an enabling environment for the growth of non-governmental organizations and organizations of civil society. Through this process some Governments are gradually translating democratic principles into explicit policies. In Botswana, for instance, democracy was institutionalized through an extensive use of the traditional assembly as a consultative machinery. For its part, the International Fund for Agricultural Development (IFAD), in the context of its two-pronged policy approach – strengthening local participation, and support for the decentralization of government – is providing assistance to the mobilization of community for self-sustainability and the strengthening of civil society. Projects in this framework are already being implemented in Uganda and Rwanda.

29. A new dimension on children's rights was highlighted at the "Children's Summit" organized by OAU in 1997 which culminated in the establishment of a number of children's parliaments or similar organizations in eight African countries. At that time, UNICEF continued to work on building and broadening partnerships for children. For example, in Accra, UNICEF organized a meeting of local governmental authorities, non-governmental organizations and United Nations agencies to discuss measures that should be taken by local governments in fulfilling their responsibilities for the well-being of Africa's children.

30. By and large, efforts are increasing to reform civil and penal legislation in light of two major conventions – namely, the Convention on the Rights of the Child (CRC), and the Convention on the Elimination of All Forms of Discrimination against Women – and to promote the participation of children and youth on issues concerning the rights of children and women.

31. As for the recommendation calling for a lasting solution to conflicts and civil strife in Africa, it should be noted that a great deal of effort has been made by international, regional and subregional organizations. UNESCO and ECA held a regional consultative meeting on communication for peace-building in Africa. The meeting promoted the use of the communications media to promote peace, tolerance, democracy, good governance and respect for human rights. UNESCO, through its Culture of Peace Programme, is addressing targeted educational and information programmes on the reconstruction of the educational system (Somalia), rebuilding peace and democracy (Burundi), human rights, tolerance and democracy (Rwanda), support to peace-building and democratic institutions (Mali), and culture of peace and governance (Mozambique). In addition, UNESCO, in collaboration with OAU and other United Nations agencies, has initiated a number of peace-building activities with targeted groups, such as parliamentarians, on issues related to democracy-building at the regional and subregional levels.

32. Within the framework of the 1991 treaty establishing the AEC (Abuja Treaty), in June 1993 OAU established a mechanism for conflict prevention, management and resolution which addresses issues of peace, security and

stability and such other related subjects as governance and democracy. Moreover, OAU, together with concerned United Nations agencies, convened a number of round tables on conflict situations, with a view to raising the required resources in addressing the socio-economic problems in countries concerned. UNDP is currently supporting the capacity-building of the OAU mechanism to the tune of US$ 3 million. This support aims at generating better information on conflict situations and establishing and operating an effective early warning system with the most up-to-date information infrastructure.

D. Solution of Africa's debt problem

33. One of the most pressing issues facing Africa is the problem of external debt. It is encouraging to note that, in the framework of ongoing economic reforms, efforts have been made by all concerned parties to find a decisive solution to the unsustainable debt burden of Africa and thereby provide the needed resources to poor countries. The international community agreed to further reduce the debt burden of poor countries through the recent debt initiative for heavily indebted poor countries (HIPC), which was endorsed by the most industrialized countries at their annual summit in 1996. At the last summit, in May 1998, the group stated its support for the speedy and determined extension of debt relief to more countries, within the terms of the HIPC initiative. The Secretary-General, in the 1998 report to the Security Council on Africa (A/52/871-S/98/318), urged creditor countries to convert all the remaining official debt of the poorest African countries into grants. The Secretary-General also called upon the Bretton Woods institutions to significantly ease and quicken access to facilities for heavily indebted poor countries and to provide sufficient resources to enable them to attain a substantial and sustained pace of economic growth and social development. On their own part, African countries undertook efforts to escape from the debt trap by proposing, through the Organization of African Unity, that an international agreement be reached in order to clear the entire debt stock for the poorest countries in Africa within a reasonably short period of time and in the context of Africa's overall economic reforms.

34. Emphasizing the important role that the international community should play in addressing the unsustainable debt problems of African countries, the mid-term review stressed the need to pursue efforts to reduce further the African debt. One measure taken by the international financial community is the decision on the part of the IMF Interim Committee to support the continuation of the Enhanced Structural Adjustment Facility (ESAF) through the establishment of a self-sustained ESAF. ESAF is a framework by which the IMF participates in the initiative for the heavily indebted poor countries. It includes current resources through 1999; a four-year period of interim ESAF (2000–2004, with a commitment capacity of about SDR 1.0 billion per year), and a self-sustained ESAF starting in 2005, with a commitment capacity of about SDR 0.8 billion per year. The total financing need for the interim ESAF and the HIPC initiative is currently estimated at SDR 2.8 billion on an "as needed" basis. Of this amount, SDR 1.7 billion would be devoted to the interim ESAF subsidy operations and SDR 1.1 billion to special ESAF operations under the HIPC initiative. At the end of 1997, the Fund has made progress in obtaining bilateral contributions from member countries.

35. Uganda was the first country to be eligible under the HIPC initiative and will receive debt relief equivalent to US$ 338 million, or 19 per cent of its outstanding debt. The Fund's share of US$ 69 million will be provided in the form of a grant used to finance debt service. Burkina Faso is another country considered eligible under the HIPC initiative, with debt relief of US$ 115 million. Eight other African countries qualified in 1998 for debt relief under the initiative – Ethiopia, Côte d'Ivoire, Guinea-Bissau, Mali, Mauritania, Mozambique, Senegal and Togo.

36. UNCTAD, as an observer in the Paris Club, provides support to debtor countries, upon request. The support ranges from providing information on developments in the proceedings and practices of the Paris Club to offering advice and technical support in the preparation of meetings, including financial simulations. In building local capacity, UNCTAD has decided to decentralize its Debt Management and Financial Analysis system programme, to the regional level. In collaboration with the World Bank, UNESCO has developed a mechanism which diminishes the debt of African countries in direct proportion to their expenditures on basic education. Burkina Faso and the Republic of Congo are the first two countries to adopt this procedure.

E. Trade facilitation and market access

37. In spite of various efforts by African countries to implement trade policy reforms, Africa's share of the global market has remained low and accounts for only 2 per cent of world trade. According to UNCTAD's 1997 report, although the 48 least developed countries, of which 33 are African, have about 10 per cent of the world's population, they ship only 0.37 per cent of global exports and 1.4 per cent of developing country exports. Furthermore, most

African countries continue to rely on a single commodity for more than three quarters of their total exports.

38. As part of his advocacy role, the Secretary-General took up the issue of opening international markets to African countries. In his report on Africa, he urged developed countries to put an end to tariff escalation by adopting a common policy to eliminate trade barriers on African products and to provide further assistance to African countries to enable them to adjust to a global and competitive trade environment, including sustaining their own tariff reductions. The mid-term review expressed the same views in a number of recommendations, including further improvement of African external trade and support by the international community of African efforts to develop and maintain trade infrastructures, enhance institutional and human capacities, and provide increased technical and financial support to improve the competitiveness of African least developed countries and to consider further reduction in tariffs as well as the removal of non-tariff barriers for African products.

39. To build regional and country capacity for trade, in January and December 1997, in Harare and Mauritius, UNCTAD organized two workshops – one on agriculture and industrial development, and one on the role of trade, including regional trade, and structural adjustment policies in Africa. Another workshop, on issues relevant to the review of the Lomé IV convention and co-sponsored by the International South Group Network, is due to start later in 1998.

40. In addition to a number of investment and trade-related projects in various countries in Africa, UNCTAD, through a project on networking through trade and direct investment in commodities and other products brought together Asian and African entrepreneurs in a series of workshops in Asia and Africa to explore possible business links.

41. In cooperation with OAU and the Arab League Secretariats, UNCTAD also organized an interregional economic cooperation forum in 1997. Efforts are being made at the regional level to implement decisions concerning the elimination of non-tariff barriers in trade within the Common Market for East and Southern African States (COMESA). COMESA is expected to expand with the inclusion of the Democratic Republic of the Congo and the construction of a transport grid that would directly link East and West Africa.

42. While the IMF has provided input to, and supported the implementation of, the recent initiatives to foster trade and investment in Africa, IFAD has been concentrating on the improvement of rural infrastructure, particularly feeder roads in eastern and southern Africa to assist with the marketing of agricultural production. ECA, in collaboration with UNCTAD and the World Trade Organization (WTO), held an ad hoc expert group meeting in 1997 to assist African countries to adjust to the post-Uruguay Round economic and trading environment. In addition, ECA has been providing advisory services to African countries through its participation in various meetings on trade facilitation and market access, and the publication of working papers.

43. An integrated programme of technical cooperation for the least developed and other African countries, organized jointly by UNCTAD/WTO and the International Trade Centre (ITC) is being established, to provide assistance for human resource development and institution-building and to support measures to strengthen export supply capabilities. UNDP, the World Bank and IMF have provided support in the formulation of the programme. In order to implement it, in March 1998 WTO, UNCTAD and ITC launched a common trust fund for technical assistance to Africa in the trade sector. The fund aims at attracting contributions to cover the expenses of seven sub-Saharan partner countries and to support ongoing deliberations on improving the efficiency of official development assistance. UNDP has also contributed to the fund.

F. Regional and subregional cooperation and integration

44. To accelerate regional and subregional economic cooperation and integration, the mid-term review recommended that African countries should step up the process of harmonizing and rationalizing the institutional framework for regional and subregional economic integration, continue to provide the necessary resources to financial and institutional support, especially in transport and communications, and encourage the participation of the private sector in promoting regional and subregional economic cooperation. The mid-term review also called upon the international community to complement Africa's efforts towards regional integration.

45. The increasing interest and commitment of African States and Governments to regional integration and cooperation have been demonstrated through various efforts since the review. The Economic and Social Council of the African Economic Community (AEC) was inaugurated in 1996 and the Assembly of Heads of State and Government of the AEC held its first session in 1997. The protocol on the relations between AEC and the regional economic

communities, which provides the legal, functional and institutional machinery required to implement various elements of the Abuja Treaty, was signed in 1998. In view of the importance of immense water-supply and hydro-electric potential of the Democratic Republic of the Congo to the southern Africa region, the adhesion of that country to SADC as its newest member could greatly contribute to fostering the integration of the subregion and beyond.

46. The UNDP regional cooperation framework for Africa (1997–2001) has identified trade and economic integration as its critical entry points. Emphasis is placed on facilitating cooperation on such issues as lowering tariff and non-tariff barriers and other forms of restrictions, including customs valuations, pre-shipment inspection, sanitary measures, inter-bank settlement transactions, trade information-sharing, migratory labour, and transport and telecommunications. Other areas of attention in the near future will include supporting selected regional cooperation arrangements through training on cross-cutting issues such as product and export diversification and trade finance.

47. ECA is promoting the building of an effective utilization of networks of transport and communication infrastructures, including the preparation of policy framework reports, the organization of policy meetings to increase awareness, and building consensus on various issues. ECA, ECLAC and the Port Management Association for Eastern and Southern Africa jointly organized a workshop on port commercialization issues and in November 1997 convened the Eleventh Meeting of the Conference of African Ministers of Transport and Communications which adopted a framework for action for accelerating the implementation of the Second Transport and Communications Decade in Africa (1991–2000). ECA also carried out its activities as lead agency for the coordination of the implementation of the Yamoussoukro Declaration on a New African Air Transport Policy.

48. For its part, OAU is addressing the issue of freedom of movement of persons throughout the region as well as questions related to a greater cooperation between AEC and regional economic communities for further complementarity and for pooling resources. An important element of this cooperative effort is the transport and communications infrastructure in promotion of regional integration. Through a project of US$ 1.8 million, UNDP has been supporting OAU in developing its institutional capacity to manage the establishment of the African Economic Community. Within the project, UNDP also provides support to subregional groupings, including SADC and l'Union économique et monétaire ouest africain, which are involved in the promotion of economic cooperation and integration in Africa.

49. The International Monetary Fund, through its policy advice mechanism, plays an important role in fostering the integration efforts of various African regional organizations. The Fund's policy advice and surveillance functions and its technical assistance are supportive of the efforts of the African Economic Community.

50. Through education, science and culture, UNESCO promotes regional cooperation among African countries. In recent years, the cooperation between UNESCO and OAU has been enhanced on various issues related to the exchange of information, conflict prevention, promotion of regional and subregional integration, and provision of technical assistance. Moreover, UNESCO's relations with subregional organizations such as SADC have also been reinforced in the areas of human resource development, culture and information, science and technology and gender issues.

51. In an effort to encourage the participation of the private sector in issues regarding regional cooperation, IFAD has financed two related activities – a smallholder policy initiative for eastern and southern Africa, together with COMESA, and a programme to strengthen the African Regional Rural Credit Association, through technical exchanges. These programmes aim at initiating and promoting linkages between the informal and formal sectors of financial institutions in member countries.

G. Environment and development

52. To promote and achieve sustainable development and to minimize the environmental degradation, the mid-term review concluded that urgent measures to address the problem of poverty as one of the causes of environmental degradation should be taken; strategies and measures to implement the Bamako Convention of 1991 should be put in place, and measures to support the effective implementation of all the initiatives emanating from the United Nations Conference on Environment and Development and related issues should be adopted. It also called for an early ratification by all countries of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, and for measures on the effective implementation of that Convention.

53. As part of efforts to implement these recommendations, in November 1997 UNEP organized, in close cooperation with the ECA and OAU, the seventh

session of the African Ministerial Conference on the Environment (AMCEN). At the Session the Conference was established as a constitutional intergovernmental body on environment and development, and key environmental programme priorities were identified for implementation at the national, subregional and regional levels. Various topics were discussed, including freshwater resource development and management, environmentally sound management of all types of waste, sustainable management, conservation and use of all types of forests, sustainable conservation of biological diversity, and ratification and implementation of international environment agreements of relevance to Africa.

54. UNEP was also involved in a number of joint activities with the Water Sector Coordination Unit of the Southern African Development Community (SADC), geared towards building capacities of SADC member States in the development and management of water resources. Within the framework of the Special Initiative for Africa, UNEP collaborated with SADC in the development of a draft regional action plan for integrated water resources development and management in the SADC countries (1999–2004).

55. As a lead agency on the priority issue of water, the World Meteorological Organization (WMO) is about to propose a detailed implementation and budgetary plan on freshwater for the Steering Committee of the Special Initiative on Africa. WMO has also been supporting African countries in developing the capabilities of national meteorological and hydrological services. A joint UNDP/WMO project on drought monitoring which provides countries with timely information and warnings on weather patterns is currently being implemented. WMO is also providing technical, scientific and financial support to the Tropical Cyclone Committee for the South-west Indian Ocean, which is working to improve cyclone warning systems and related meteorological services.

56. Within the framework of the Convention to Combat Desertification, the United Nations Sudano-Sahelian Office (UNSO) has supported 22 countries in developing national action programmes. Of those, 10 countries have held their first forum at the national level aimed at defining priority programmes, funding arrangements and implementation of national action programmes, and agreeing on institutional support mechanisms. UNSO has also provided catalytic funding and technical support for the establishment of national desertification funds in 20 countries. In 16 countries such funds have been set up, and national workshops have been held in four countries. Additionally, UNSO has continued to backstop 14 projects in the drylands, relating to integrated resource management and amounting to US$ 25 million. A pilot programme on promoting farmer innovation in rain-fed agriculture in three East African countries has been launched, and resources are being mobilized to extend the programme in southern and western Africa.

57. The Office of the Special Coordinator for Africa and the Least Developed Countries of the Department of Economic and Social Affairs, the Secretariat of the Convention for Combating Desertification and the Governments of Japan, China and Niger co-organized in August 1996 and September 1997, the First and Second Asia/Africa Forums on Combating Desertification. The First Forum culminated in the adoption of the Beijing Framework for Action on Asia/Africa Cooperation on Combating Desertification and or Mitigating the Effect of Drought; the Second Forum decided upon the activities to be promoted and implemented by the participating countries for the two-year period 1997–1999. Since the mid-term review, the United Nations Convention to Combat Desertification has been ratified and come into force. The Conference of Parties held in Rome in September 1997 decided upon the location of the secretariat of the Convention and on administrative matters concerning the secretariat.

58. In 1996 UNIDO launched an ecologically sustainable industrial development project based on lessons learned. Through its programme on ozone-depleting substances, UNIDO has also assisted several African countries, including Benin, Botswana, Burkina Faso, Cameroon, Côte d'Ivoire, Gambia, Guinea, Kenya, Nigeria, Senegal, United Republic of Tanzania and Zimbabwe in their environmental effort in the reduction of chlorofluorocarbon production in refrigeration, aerosols and foams. Also, through UNIDO's programme related to cleaner production centres, a core of national experts are trained to disseminate information on pollution abatement at the factory level and to organize in-plant demonstrations for local entrepreneurs. Two such centres have been established, in the United Republic of Tanzania and Zimbabwe. UNIDO is also carrying out a programme in the Gulf of Guinea, which aims at adopting an effective regional approach to prevent water pollution and conserve bio-diversity in its large marine ecosystem. The project covers institution-building and water quality and ecological monitoring in six countries – Benin, Cameroon, Côte d'Ivoire, Ghana, Nigeria and Togo.

59. Through its programme "Man and the Biosphere" and its four sub-networks covering the four major ecosystems characteristic of the region (forests and savannahs, arid and semi-arid zones, mountains, and coastal regions), UNESCO is trying to reconcile environmental conservation, cultural integrity and economic development and to encourage local

communities to actively participate in the management of local resources.

H. Diversification of African economies

60. In spite of an increase in the share of the developing countries in world industrial production, from 17 per cent in 1980 to around 20 per cent in 1995, Africa's overall industrial performance has continued to lag behind. There was a slowdown in the mining subsector in 1997 which caused the global output of the industrial sector to increase by only 3.3 per cent, compared to 5.4 per cent in 1996. However, the performance of some mining industries has been encouraging: gold production in Ghana increased by 10 per cent in the first half of 1997 and the oil sector grew faster than commodity production in 1997.

61. Manufacturing in Africa is dominated by three labour-intensive, resource-based, low-technology industries which focus narrowly on the primary processing of locally produced agricultural and mineral commodities and absorb 85 per cent of total investment. The three – the food-processing, beverage and textile industries – accounted for a combined share of 43.7 per cent of GDP in sub-Saharan Africa in 1994 and during the period under review. Not only do these industries have lower income elasticity in the international market but they are also subject to fluctuations in the demand and the prices of primary commodities. Structural transformation, political stability, investment in human capital and, overall, an acceleration in the transformation from raw material producers to processors will have to be achieved in order to broaden and deepen Africa's manufacturing base and expand skill-intensive industries with higher income elasticity in the international market.

62. Since the mid-term review, UNIDO's effort to contribute to the New Agenda has been embodied in the Alliance for Africa's Industrialization (AAI), which is the implementation mechanism for a refocused Second Industrial Development Decade for Africa. Launched formally in October 1996 in Abidjan, Côte d'Ivoire, the Alliance relies on two fundamental principles: ownership by African Governments, which assume leadership in decision-making and priority setting at all stages of the development process; and private-sector-led industrial development, which brings into focus investment promotion and environment degradation. The goals of the Alliance are threefold: to develop Africa-oriented industrial development strategies addressing, directly and effectively, Africa's principal problems of low industrial output and domestic value added, unemployment, poverty and food security; to stimulate increased international commitment to African industrial development and generate increased support to promoting sustainable industrial growth and competitiveness; and to promote regional industrial partnerships aimed at the attainment of economies of scale and meeting the emerging demands in regional and international markets. The Alliance also has three main components: capacity-building for industrial competitiveness; linking industry and agriculture to enhance productivity and competitiveness in agro-industries; and promoting private investment and other forms of international industrial cooperation.

63. UNIDO's main activity in 1998 involves the establishment of industrial partnership councils, which are the national machinery responsible for implementing the Alliance plan of action. Partnership councils, comprising representatives from both the private and public sectors, will have to devote attention to economic diversification in the elaboration of national industrial action plans. Economic diversification, as a major way to get out of commodity dependence and its related problems and to contribute to more dynamic and resilient economies in Africa, was much debated during the mid-term review. It led to the adoption of a number of recommendations, including an invitation to donor countries to contribute to financing the preparatory phase of commodity diversification projects and programmes; and to the Common Fund for Commodities to facilitate the procedures for submitting diversification projects, intensify cooperation with African regional economic organizations, establish a project formulation facility using African expertise, and enhance the capacity of African countries to design commodity diversification projects.

64. For its part, the Common Fund for Commodities has taken steps to implement the recommendations of the mid-term review. It held workshops and round-table meetings in Côte d'Ivoire (July 1996) and Zambia (November 1997) and intended to hold one in United Republic of Tanzania (December 1998), on how to advance commodity development and diversification measures, including ways to share experiences and information on commodity diversification projects. Secondly, at its eighth annual meeting, held in December 1996 in Marakesh, Morocco, the Governing Council of the Common Fund recognized the need to implement the recommendations of the mid-term review and the decision taken by UNCTAD at its ninth session, requesting the Fund to direct its programme more towards commodity-sector diversification projects. Thirdly, at its ninth annual meeting, held in Amsterdam in December 1997, it decided to establish a Project Preparation Facility

for Africa and the least developed countries, with an initial amount of $1 million. This initial contribution is far below the amount of $50 million proposed by the Secretary-General in his report to the General Assembly at its forty-eighth session (A/48/335); however, it should be noted that the Common Fund has always insisted that the Facility should be demand-driven; in other words, replenishment should follow demand. As regards donor countries, information made available for the preparation of this report does not indicate any specific efforts by donor countries, especially those participating in the African Development Fund existing within the African Development Bank.

I. Agriculture, rural development and food security

65. 1996 was an exceptional year for African agricultural production: its growth rate of 5.2 per cent was the highest since 1990. The food subsector and especially cereals production contributed to this rebound, as well as the positive impact of the ongoing reforms, conducive weather and the international price recovery. But the strong recovery was not sustained in 1997, a year during which the agricultural production growth decelerated to 1.7 per cent. The food subsector faced serious difficulties, with a drop of 10.5 per cent in cereals production. This generally poor record, mainly due to erratic changes in weather conditions in a region where most countries depend overwhelmingly on rain-fed agriculture, points to serious gaps in food supply for the majority of African countries.

66. The resumption of agricultural progress will require considerable improvements in production techniques and increases in actual production in the coming years. To that effect, the mid-term review recommended that the following measures be taken: implement policies that enhance agricultural productivity to increase food production and boost exports earnings and ensure adequate budgetary allocations to agricultural modernization; develop rural economies in order to increase incomes; diversify agricultural output; promote agrobased industries; improve access to training, agricultural skills, new technologies and extension services; exchange country and regional experiences in rural energy planning methodologies; support and assist the promotion of local food production; promote agricultural methods that use sound ecological practices; facilitate technical developments to improve the storage, distribution and marketing of food and diversify food production.

67. In implementing the New Agenda, in 1994 FAO launched a Special Programme for Food Security, which is already operational in 18 African countries, under preparation in 21, and about to be formulated in the remaining five. FAO provided assistance to all African member States in the preparation of draft strategies for national agricultural development: Horizon 2010, which is a major element in the follow-up to the World Food Summit and relevant to the realization of the objectives of the New Agenda. Assistance has been provided to a number of African countries in the preparation of round-table meetings with a view to mobilizing resources for sustainable food security, agriculture and rural development. In-service training at the country and regional levels, including dissemination of training materials, is also part of FAO assistance to African countries.

68. Since 1997 FAO has operated over 72 relief and early rehabilitation projects in 24 African countries, for a total exceeding US$ 22 million. In addition to relief and early rehabilitation, FAO has provided assistance to countries affected by natural or man-made disasters.

69. Assistance in strengthening the institutional environment within markets, civil society and Governments is being provided with the objective of achieving sustainable agriculture and rural development. FAO is currently engaged in supporting the Presidential Commission on Land Reform in Malawi and in assisting Zimbabwe to write a land policy that will lead to a more equitable distribution of agricultural land.

70. UNCTAD provided assistance on risk management issues, primarily in Uganda, the United Republic of Tanzania, Zimbabwe and South Africa. After the Expert Meeting on Vertical Diversification in the Food-processing Sector in Developing Countries, UNCTAD hopes to expand such assistance to diversification issues.

71. UNIDO's projects on the linkage of agriculture and industry covered the leather and footwear industry (in Botswana, Ethiopia, Kenya, Malawi, Uganda, United Republic of Tanzania, Zambia, Zimbabwe), traditional textiles for West Africa (Guinea, Mali), improved quality in fish processing (Mauritania), and technical advice on the coordination of the forestry master plan (Ghana). Co-financing from the Commonwealth Fund for Commodities provided funds for a project on product and market development for sisal and henequen, including a comprehensive package covering the entire range of activities, from the development of new sisal varieties, to the improvement of sisal cultivation and processing, to technology dissemination and investment promotion. The

project has a complementary component dealing with the use of sisal wastes for bio-energy.

J. The human dimension

72. Since the mid-term review, progress has been made in the human dimension: improvements in health care have led to a decrease in mortality rates; national population policies have, in most cases, been successfully put in place; literacy and gender parity in access to education have increased; and women have been playing an increasingly important role in the development of the continent. Despite these achievements, there is still cause for concern. In 1997, the UNDP Human Development Index (HDI) categorized 35 African countries as "low human development". Although this indicator measures only life expectancy, illiteracy and three standard-of-living indicators, the fact that a large number of African countries fall within the lowest bracket is cause for concern. Few direct social benefits are reaching Africa's children, women and other vulnerable groups. UNICEF estimates that 9.7 million infants, or 44 per cent of the eligible population, are still in need of vaccination. More than 40 million children, mostly girls between the ages of 6 and 11, are not attending school, and 43.5 per cent of the adult population is illiterate.[3] Less than half of the population has access to safe water and adequate sanitation; and the impact of the HIV/AIDS pandemic on development has already been in part responsible for the decline in HDI values in eight countries.

73. Having noted slow progress in the field of human development, the mid-term review made the following recommendations to African countries: endeavour to increase resource allocations in the priority areas of basic education, primary health care, enhancing scientific and technical capacities, and creating productive employment and income opportunities; intensify the struggle against malaria, and combat the effects of HIV/AIDS and implement effective responses to the pandemic; integrate population policies into national development programmes and ensure the availability and promotion of reproductive health services; ensure the integration of the gender perspective in policies, and promote the empowerment of women. It also recommended adopting the 20/20 concept of mutual commitment for basic social programmes, providing youth with a secure and healthy future, and supporting efforts for capacity-building for human development.

1. Education

74. As regards increasing resource allocations in the priority areas of basic education, primary health care, and enhancing scientific and technical capacities, African Governments have made laudable efforts but have often, as in the past, been constrained by more pressing needs such as servicing the heavy debt burden. The increased role of organizations of civil society – i.e., non-governmental organizations – in most countries of the continent has been a major factor in the allocation of more resources in the above priority areas. One example is the Health Care Providers Programme in Egypt, which was created to provide better and more sophisticated health-care services to the under-served segments of the population. The programme is a good example of partnership between government, the private sector, and the donor community.

75. As for the provision of basic education, multilateral organizations such as the World Bank, UNESCO and UNICEF are engaged in various programmes to raise enrolment and improve the quality of primary education in a selected group of countries with the lowest enrolment rates. Sector investment programmes (SIPs) in education are under way or in preparation in seven countries, and work plans for 15 countries with low enrolment rates at the primary level are in the final stages of preparation. Consultations and agreements in the context of the Special Initiative on Africa have led to support by bilateral donors for primary education. That support has been critical in enhancing governmental efforts to place primary education within the macroeconomic framework. An example of these efforts is the Poverty Eradication Plan of the Government of Uganda, in which the Government has pledged to attain the universal primary education goal by financing, as a first step, the primary education of four children per household.

76. Another initiative undertaken by UNESCO to promote education was a tripartite accord with UNDP and the International Foundation for Education and Self-help on a programme of support to educational rehabilitation in Africa. The accord foresees the construction of primary schools and vocational training centres in all the countries of sub-Saharan Africa.

2. Health

77. In response to the need to intensify the struggle against malaria, UNICEF, in collaboration with Governments, donor agencies and other partners, has escalated its effort in malaria prevention and control. At present, some 25 countries are implementing malaria-related activities. Additionally, WHO has provided some $20 million to

implement the action plan derived from the Harare Declaration on Malaria Prevention and Control, which was adopted by the thirty-third summit of OAU, in 1997. The "roll back malaria" initiative presented by WHO in May 1998 is an intensified campaign against malaria within the framework of health-sector development.

78. The recommendation to continue to combat the effects of HIV/AIDS and to implement effective responses to the pandemic has been addressed by the United Nations system. In an effort to promote and support more effective and complementary cooperation within the system, the joint and co-sponsored United Nations Programme on HIV and AIDS (UNAIDS), comprising UNDP, UNESCO, UNFPA, UNICEF, WHO and the World Bank, was launched on 1 January 1996. In it, the highest priority has been accorded to supporting effective and sustainable multidimensional country-level responses. The UNDP's regional project for sub-Saharan Africa has proven successful, and is based on two main approaches: the HIV and Development Workshop, and multisectoral programming technical assistance missions. The project concentrates on the development of national capacities, and workshops are principally targeted at senior governmental officials and United Nations officials. In December 1997, within the framework of the Tenth International Conference on HIV/AIDS and STDs in Africa, a symposium on HIV, development and the role of local government took place in Abidjan, Côte d'Ivoire. It allowed mayors and municipal leaders to explore ways in which they could participate more effectively in the formulation of multisectoral responses to the epidemic at the local level. The results of the symposium were a declaration, the creation of the Alliance of Mayors and Municipal Leaders on HIV/AIDS in Africa, and the inclusion of the Alliance on the agenda of the Africities meeting held in January 1998.

3. Population

79. As regards the need to ensure the availability and promotion of reproductive health services, African countries are integrating family planning counselling and services and safe motherhood initiatives into their primary health-care programmes. Specific network service delivery is growing, but access to the services varies greatly among countries. Successful male participation in reproductive health services has increased in the region, and religious leaders have become important allies and are playing a major advocacy role in the implementation of reproductive health activities. A series of round-tables on reproductive health and rights is currently being held, and it is expected that it will culminate in an international forum in 1999. For its part, UNFPA is supporting the improvement of the physical and institutional infrastructure of health facilities. This involves the construction and renovation of health facilities and the supply of reproductive equipment, contraceptives and drugs.

80. Since the mid-term review, much work has been done in regard to the need to integrate population policies into national development programmes. Twenty-one countries have adopted an official national population policy and are now concentrating on plans of action to implement the policies. From 1996 to date, eight countries have formulated and approved comprehensive national population policies and put in place institutional structures for their implementation. More than 17 countries are in the process of formulating/reviewing their national population policies in line with recommendations of the International Conference on Population and Development and other relevant international and regional conferences. Two countries have set up a task force to draft a population policy statement and a time-bound programme for its implementation.

81. The United Nations system, through UNFPA, has also been involved in the efforts to integrate population policies and promote reproductive health. UNFPA has initiated and supported a series of seminars for parliamentarians. The goal is to increase awareness of reproductive health, gender and poverty issues so as to mobilize political support and increase financial commitment for population and development programmes by Governments, donors, and the private sector. Parliamentarian support for these programmes continues, as is demonstrated by the creation of the Forum for Arab and African Parliamentarians on Population and Development and similar organizations. Additionally, UNFPA collaborated with SADC on the preparations for the 2001 census initiatives, and with the OAU on advocacy on population issues and in the formulation and implementation of population programmes.

4. Women in development

82. There is heightened commitment to gender mainstreaming in Africa. Most countries show progress in sustaining their political commitment and continue to introduce policies and programmes to advance the rights of women and girls. It should also be noted that as of 1 July 1998, 46 out of 53 African countries have become States parties to the Convention on the Elimination of All Forms of Discrimination against Women, and all, except one, have ratified the Convention on the Rights of the Child.

83. Following the United Nations Conference on Population and Development and the Fourth World Conference on Women, considerable efforts are being made

with regard to the recommendation to empower women and promote their full and equal participation in political, economic and social development. To that end, the Asia/Africa Forum for the Economic Empowerment of Women, organized by the Department of Economic and Social Affairs, UNDP, and the Governments of Japan and Thailand, adopted a framework for action. The framework recommends improved access to credit and finance, educational and training opportunities, and the building and strengthening of networks among female entrepreneurs, non-governmental organizations, relevant governmental organizations and international organizations.

84. Further evidence of increased awareness of and support for the advancement of women is demonstrated in the endorsement by OAU member States of the Beijing Platform for Action in June 1996 and by the theme of the ECA's international conference, entitled "African women and economic development: investing in our future", held in May 1998, in Addis Ababa. The conference's recommendations included integrating gender concerns into national budgetary procedures; promoting and protecting women's access to and ownership of land; promoting gender-sensitive credit schemes; facilitating women's access to markets and regional trade, and building their entrepreneurial capacities; and mobilizing resources for the setting-up of community social service and insurance programmes to facilitate women's access to basic social services. Efforts to increase awareness and support for the advancement of women were also manifested in the establishment by OAU, in collaboration with ECA, of the African Women's Committee for Peace and Development, to ensure women's participation in the peace process, and in conflict prevention, resolution and management.

85. African women's multifaceted participation in development is particularly evident in the informal sector where the majority of women are active. An effort to increase their economic empowerment must therefore include support to that sector. Within the framework of the Special Initiative on Africa, an international task force formulated and adopted a special programme of support to the informal sector in Africa, in 1997. The programme includes policy and operational elements for creating an enabling environment, building and strengthening infrastructure support and institutional capacity and increasing access to credit and related inputs, technology, marketing, and linkages with the formal sector. It also provides for an implementation framework.

5. 20/20 concept of mutual commitment for basic social programmes

86. With regard to the recommendation to pursue the 20/20 concept of mutual commitment for basic social programmes, UNICEF, UNDP and other United Nations agencies have undertaken a number of activities. In 1996, a conference hosted by the Governments of Norway and the Netherlands led to the Oslo Consensus, which agreed on the elements of an international definition of basic social services and emphasized the need for better monitoring and analysis of public spending on basic social services. Since then, 20/20 studies have been completed in three African countries (Niger, Namibia, and South Africa) and are near completion in eight additional countries (Burkina Faso, Cameroon, Côte d'Ivoire, Kenya, Malawi, Mali, United Republic of Tanzania and Zambia). Two regional workshops, one for west and central Africa and the other for eastern and southern Africa, on issues relating to the practical implementation of the 20/20 initiative, creating an intergovernmental network of experts, and sustaining governmental commitment to the initiative, were held in 1997 and 1998. Representatives from 21 African Governments attended the workshops.

III. Critical issues

A. Globalization of the world economy

87. Globalization offers major economic and social benefits, the most obvious being that it increases economic dynamism as market opportunities widen. Globalization offers access to larger financial savings, a wide range of goods and services at lower cost, new export markets, and new technologies. However, globalization also entails certain disadvantages: it may reduce the policy autonomy of countries that have liberalized their financial systems as their vulnerabilities have increased and may cause Governments to be more cautious. The inherent dangers of globalization have been vividly revealed in the recent Asian financial crisis. Generally, globalization tends to intensify the marginalization of those countries without the capacity to increase exports or to attract investment rapidly.

88. In the case of Africa, globalization in the short term has led to significant marginalization of the continent. Africa's exports remain narrowly based on primary commodities, and little progress has been made in diversifying into non-traditional exports, especially manufactures. While the benefits accruing to non-OECD countries from the Uruguay Round of multilateral trade negotiations are expected to be between $30 billion and $90

billion in 2002, Africa is expected to lose $1.2 billion every year. Although world trade was expected to grow by 7.1 per cent in 1997, Africa's exports increased only marginally, due mainly to price uncertainties and higher interest rates affecting export financing.

89. Although Africa had embarked on regional integration in the 1980s, globalization has, in recent years, brought about renewed interest in the process, for two main reasons: Africa's trade accounts for only 2 per cent of world trade; and if trade is to serve as an engine of economic growth and socio-economic development, African countries need to broaden their production base on a complementary, rather than competitive, basis, improve their efficiency and ensure that capital inflows are channelled to productive investment. One way of doing this is to exploit economies of scale, which is unachievable with the current fragmented market.

90. The critical issue is whether Africa as a whole can competitively and profitably be integrated into the global economy and thus exorcise its deepening marginalization, without first of all achieving internal economic and industrial integration. Since international market integration is proceeding rapidly, Africa will have to open up and compete if it is to take advantage of the benefits of that process. In addition to further marginalization, Africa faces the risks of capital flows drying up or reversing, thereby precipitating a crisis.

91. From the observations above, it could be stated that globalization makes it imperative for African countries to step up regional economic integration; intensify the democratization process, including achieving good governance and forging partnerships with civil society; strengthen the financial sector; and reinforce and accelerate economic liberalization. These are the areas on which the New Agenda focuses. By vigorously pursuing its effective implementation, African countries may expect to achieve their integration into the world economy.

B. Enhanced coordination and feedback between the global political process and the operational levels in the field

92. Even before the adoption of the New Agenda, the question of coordinating its activities was addressed by the Committee for Programme and Coordination at its thirtieth session, in 1990. The Committee requested the Secretary-General, in his capacity as Chairman of the Administrative Committee on Coordination, to prepare a system-wide plan of action for African economic recovery and development (SWPA). In the subsequent programme 45 of the medium-term plan for 1992–1997, adopted in 1991, CPC decided that the system-wide plan of action for African economic recovery and development would form the basis of system-wide coordination of the operations of the system in Africa. The system-wide plan, which was prepared and revised in 1992 and 1994, was replaced by the system-wide Special Initiative in Africa, launched in March 1996. It is therefore through the Special Initiative that the coordination of activities related to the implementation of the New Agenda is taking place: first, at the system-wide level by the ACC Steering Committee on Africa and the ACC itself; and secondly, at the priority area and country levels by the lead organizations working closely with collaborative agencies.

93. The difficulty with this process is that the involvement of recipient countries which assume the ownership of the national programme on the New Agenda is not clearly established. For instance, fewer than 10 countries were identified in the report to the CPC in May 1998 (E/AC.51/1998/7) as having fully embraced the Special Initiative. There seems to be little feedback between the global political process and the national set-up responsible for translating into action the deliberations at the global level. It could be argued that the United Nations system has a mandate in this regard and should ensure that the political process is fed with the reality at the field level. In the case of the New Agenda, frequent and regular surveys of what countries are doing with respect to the implementation would be required as part of the monitoring process but are not being carried out. Ultimately – and unlike the outcomes of major United Nations conferences, including the United Nations Conference on Environment and Development, the Fourth World Conference on Women, and the World Summit for Social Development, which have specialized intergovernmental bodies or mechanisms that regularly bring together at the global level those responsible for implementation in the field – the New Agenda is not provided for. Such a mechanism would have made it possible for individual Governments, national experts and civil society to provide direct inputs in planning the implementation processes, analysing the obstacles and monitoring actions undertaken at the country level.

C. Mobilization of financial resources

94. The effective mobilization of financial resources continues to be a critical development issue for the Africa region. First, the low rate of domestic savings in the region needs to be substantially increased. Secondly, domestic

resources must be supplemented by additional resource flows from the international community to contribute to building the capacity necessary for sustained growth and sustainable development. It should be recalled in this regard that the Secretary-General's report to the General Assembly in 1991 (A/46/324 and Add.1) estimated that a minimum amount of US$ 30 billion in net official development assistance (ODA) would be needed in 1992, after which it would have to increase at an average annual rate of 4 per cent to achieve a growth rate of at least 6 per cent per annum as a "desirable objective". Today development experts claim that the African economy needs to grow at the much higher rate of 8–10 per cent in order to significantly reduce the proportion of the population living in poverty. This would require a much higher level of resource flows, compared to the estimates in the Secretary-General's report, covering the decade of the 1990s.

95. In view of the critical importance attached by Member States to the issue of resource flows to Africa, a report on this subject was submitted to the General Assembly at its forty-eighth session (A/48/336). That report has been updated and reissued as an addendum to the present progress report entitled "Mobilization of additional resources for African development: a study on overall resource flows to Africa" (A/53/390/Add.1).

96. According to the addendum, between 1993 and 1996, net aggregate resource flows to Africa have fluctuated widely, from $22.2 billion in 1992 to a high of $28.2 billion in 1995 and declining to $20.8 billion in 1996, or by 20 per cent, compared to 1995. These fluctuations are in marked contrast to the steady year-by-year increase in net resource flows to developing countries as a group, from $143.9 billion in 1992 to $300.3 billion in 1997, an increase of more than 20 per cent annually during that period. Not only have net resources flows to Africa declined, but Africa's share in total flows to developing countries has also fallen, from 15.5 per cent in 1992 to 7.4 per cent in 1996.

97. A breakdown of aggregate net resource flows by type of flow shows that ODA flows to Africa, accounting for the major part of external resource flows, declined from $14.2 billion in 1992 to $12.8 billion in 1996, while private flows increased from $3.1 billion in 1992 to $6.8 billion in 1996, with a high of $9.9 billion in 1995. Foreign direct investment flows to Africa increased from $3 billion in 1992 to $5.5 billion in 1994, and since then have been declining, reaching $4.5 billion in 1996. Portfolio equity flows, although quite small, increased between 1992 and 1995 reaching a high of $5 billion in 1995 and declining to $2.3 billion in 1996.

D. Effective follow-up, monitoring and evaluation arrangements

98. In 1994, an evaluation of programme 45, which embodied the New Agenda in the United Nations medium-term plan of 1992–1997, was performed by the evaluation unit of the Office of Internal Oversight Services. The evaluation helped clarify and strengthen the administrative arrangements put in place by the Secretariat to ensure effective follow-up and monitoring of the Agenda. In 1996, an evaluation of the implementation of the Agenda by the United Nations system was conducted by the Joint Inspection Unit. It raised a range of issues, some of which were dealt with by individual organizations and some taken up by the mid-term review. Both evaluations were directed to the United Nations system, while the mid-term review mainly assessed the efforts undertaken by member States themselves. They have greatly contributed to the increasingly effective implementation of the Agenda by all concerned.

99. To keep this pace and maximize the outcome of the final review and appraisal in 2002, it is critical that the intergovernmental process of the United Nations keep the Agenda under constant review. Already the Committee for Programme and Coordination has been regularly reviewing progress made in the implementation of the Special Initiative on Africa. However, it would serve the purpose of effective follow-up, monitoring and evaluation if the General Assembly were to consider the implementation of the New Agenda one more time before the final review and appraisal. Also, in order to facilitate an in-depth final review and appraisal, it would be appropriate if an independent evaluation of the implementation of the Agenda were carried out.

E. Harmonization of current international and bilateral initiatives

100. Since the adoption of the New Agenda in December 1991, many initiatives have been launched on Africa in efforts to tackle the formidable challenges facing the continent. African countries themselves have taken the lead by elaborating and adopting a number of initiatives aimed at presenting clearly their development priorities and stating what they can do for themselves and what they require from their development partners. They have also initiated programmes and adopted common positions on such issues as regional and subregional cooperation and integration, governance and human rights, democracy, peace, security

and stability, debt, and environment, including combating drought and desertification. The most prominent and recent of these initiatives are the OAU Mechanism for Conflict Prevention, Management and Resolution and the Cairo Agenda for Action: Relaunching Africa's Socio-economic Development.

101. In support of African efforts, the international community has taken a wide range of initiatives, some on peace, security and stability, conflict prevention and resolution, but mostly on development. They include:

(a) International multilateral initiatives among which are the United Nations system-wide Special Initiative on Africa, designed as the implementing arm of the New Agenda; the United Nations Programme of Action for the Least Developed Countries for the 1990s; commitment 7 of the Copenhagen Declaration on Social Development; the DAC/OECD Initiative: Shaping the Twenty-first Century; the Lomé Convention; the World Bank Special Programme of Assistance for Africa; the IMF Enhanced Structural Adjustment Facility (ESAF) and Extended Facility; the Heavily Indebted Poor Countries (HIPC) Initiative; the UNCTAD/WTO Integrated Framework for Least Developed Countries Trade Development; UNESCO's Audience Africa; the UNIDO's Alliance for Africa's Industrialization (AAI);

(b) International bilateral initiatives comprising, on the one hand, initiatives dealing with socio-economic issues, as in the case of the Japan-led initiative on the Tokyo International Conference on African Development, the United States proposal for a Partnership for Economic Growth and Opportunity in Africa, the Swedish initiative Partnership with Africa, and the initiative by the United Kingdom Eliminating World Poverty: A Challenge for the Twenty-first Century; on the other hand, initiatives related to peace and security, including the French Reenforcement des capacités africaines de maintien de la paix, the British African Peacekeeping Initiative and the United States African Crisis Response Initiative.

102. All these initiatives cover the range of priorities stressed in the New Agenda, with some focusing pointedly on specific issues or sectors within or outside the scope of the Agenda. They contribute, in varying degrees, to the achievement of the objectives of the Agenda. For instance, the Tokyo Conferences were conceived as direct support to the New Agenda. The World Bank Special Programme, the IMF ESAF, and the HIPC Initiative deal with key issues of the New Agenda, including economic reforms, macroeconomic stability, growth and debt. Some other initiatives make no reference of the New Agenda and tend to be carried out too independently.

103. In view of their overlapping, duplicating, independent and even criss-crossing character, the above-mentioned initiatives have had so far limited impact on African development and the New Agenda. To achieve the best results, initiatives on Africa should focus on priority areas determined by African countries themselves, most of which are stated in the Cairo Agenda for Action and in the negotiated political compact which is the New Agenda. Furthermore, initiatives on Africa should set clear implementation criteria and mechanisms so as to ensure that they are free from undue conditionalities. Also, they should build in clear goals and quantifiable targets as well as performance indicators to enable effective follow-up, monitoring and evaluation. Finally, initiatives on Africa should provide room for complementarity, synergy-building and harmonization, through organized consultations at the policy and operational levels among the various development partners.

IV. Conclusion

104. As the above presentation shows, much has been done by the organizations of the United Nations system during the period under review to advance the implementation of the New Agenda. However, several obstacles still stand in the way to its full implementation which can be overcome if all parties concerned relaunch their efforts to sustain and expand the encouraging results so far achieved.

105. A major undertaking which will have a direct impact on the implementation of the Agenda is the already cited report of the Secretary-General to the Security Council on Africa (A/52/871-S/1998/318). The report deals with the sources of conflict in Africa, ways to prevent those conflicts, and how to lay the foundation for durable peace and economic growth following their resolution. The report goes far beyond the development concerns of the New Agenda, highlighting and integrating them in a broader perspective of building durable peace and promoting sustainable development. Should the recommendations of the report on building durable peace and promoting sustainable development be effectively enacted by all concerned parties – Member States and various United Nations and non-United Nations organizations – they would bring the New Agenda to full fruition or accomplishment. Following its consideration of the report, the Security Council adopted resolution 1170 of 28 May 1998 and has been taking steps to ensure the implementation of the recommendations falling within the scope of its mandate. The Economic and Social Council decided at its substantive session of 1998 to

undertake discussions on the implementation of the recommendations of the report at its next session, in 1999. The General Assembly is expected to consider the report at its fifty-third session under a separate agenda item.

Notes

[1] General Assembly resolution 46/151, annex.

[2] Resolution 811 (XXXI) of the Economic Commission for Africa.

[3] UNESCO, *Statistical Yearbook, 1995* (Paris), table 2.2.